

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED SEWAGE TREATMENT)
ADJUSTMENT OF WOOD CREEK)
WATER DISTRICT – WASTEWATER) CASE NO. 2007-00243
DIVISION)

O R D E R

On June 19, 2007, Wood Creek Water District – Wastewater Division (“Wood Creek”) applied for approval to adjust its rates pursuant to KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Wood Creek purchases sewage treatment services from the city of London (“London”).
2. London notified Wood Creek that, effective for services rendered on and after March 12, 2007, London’s wholesale sewer rate to Wood Creek would increase from \$2.48 per 1,000 gallons to \$2.63 per 1,000 gallons.
3. Wood Creek proposes to pass this wholesale increase in sewer rates to its customers for bills rendered on and after August 1, 2007.
4. During the 12 months ending April 30, 2007, Wood Creek sold 38,920,900 gallons of water and London treated 29,693,400 gallons of sewage from Wood Creek.

The increase in the cost of sewage treatment is \$4,454.00, resulting in a sewer rate adjustment of \$0.12 per 1,000 gallons.

5. The sewer rate adjustment of \$0.12 per 1,000 gallons is fair, just, and reasonable and should be approved.

6. Wood Creek proposed a rate adjustment of \$0.1144 per 1,000 gallons. However, the rates proposed by Wood Creek were miscalculated by using a factor that would not recover the increased cost and should be denied.

IT IS THEREFORE ORDERED that:

1. The rates as proposed by Wood Creek are denied.
2. The sewer rate adjustment of \$0.12 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after August 1, 2007.
3. Within 20 days of the date of this Order, Wood Creek shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of July, 2007.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2007-00243 DATED July 12th, 2007.

The following rates and charges are prescribed for the customers in the area served by Wood Creek Water District – Wastewater Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Sewer Rates

Sewer Rates in addition
to Minimum Bill

First	2,000	gallons	\$ 12.42	Minimum bill
Next	1,500	gallons	4.49	per 1,000 gallons
Next	1,500	gallons	4.16	per 1,000 gallons
Next	2,500	gallons	3.73	per 1,000 gallons
All Over	7,500	gallons	3.25	per 1,000 gallons

Minimum Bill for all Meters

5/8" x 3/4"	First	2,000	gallons	\$ 12.42	Minimum bill
1	First	5,000	gallons	25.40	Minimum bill
1 1/2"	First	10,000	gallons	42.86	Minimum bill
2"	First	20,000	gallons	75.36	Minimum bill
6"	First	100,000	gallons	335.36	Minimum bill